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Government of the District of Columbia



**Department of Housing and Community Development**

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Testimony of  
**Jalal Greene**  
**Director**

***Public Hearing on Proposed Resolution 16-181, the  
“Consolidated Plan for the District of Columbia, Fiscal  
Years 2006-2010, and Fiscal Year 2006 Action Plan  
Approval Resolution of 2005”***

Committee on Economic Development  
The Honorable Sharon Ambrose, Chairperson  
Council of the District of Columbia

June 2, 2005

Room 412  
John A. Wilson Building  
1350 Pennsylvania Avenue, NW  
Washington, DC 20004  
10:00AM

**GOOD MORNING CHAIRPERSON AMBROSE AND MEMBERS OF THE COMMITTEE ON ECONOMIC DEVELOPMENT. I AM JALAL GREENE, DIRECTOR OF THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, WHICH I WILL REFER TO AS “DHCD” OR “THE DEPARTMENT.” WITH ME IN THE AUDIENCE TODAY ARE MEMBERS OF MY SENIOR STAFF.**

**I AM HERE TODAY TO TESTIFY ON COUNCIL PROPOSED RESOLUTION 16-181, “THE CONSOLIDATED PLAN FOR THE DISTRICT OF COLUMBIA, FISCAL YEARS 2006-2010 AND FISCAL YEAR 2006 ACTION PLAN APPROVAL RESOLUTION OF 2005.”**

**CONSOLIDATED PLAN REQUIRED BY HUD**

**THE FIVE-YEAR CONSOLIDATED PLAN FOR THE DISTRICT OF COLUMBIA AND THE ANNUAL ACTION PLAN ARE REQUIRED BY THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) IN ORDER TO QUALIFY THE DISTRICT FOR FUNDING UNDER FOUR ENTITLEMENT PROGRAMS: 1) THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG); 2) THE HOME INVESTMENTS PARTNERSHIP PROGRAM (HOME); 3) THE EMERGENCY SHELTER GRANT PROGRAM (ESG); AND 4) THE HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM (HOPWA).**

## **PLAN CONTENTS**

**THE FIVE-YEAR PLAN DESCRIBES THE DISTRICT'S PRIORITIES IN SERVING ITS LOW-TO- MODERATE-INCOME RESIDENTS, AND SETS GOALS AND STRATEGIES TO ADDRESS THESE PRIORITIES. THE FIVE-YEAR PLAN INCLUDES PRIORITIES BEYOND THOSE FUNDED WITH THE FOUR ENTITLEMENT GRANTS OR ADMINISTERED BY DHCD.**

**THE ANNUAL ACTION PLAN CONTAINS THE DISTRICT'S APPLICATION TO HUD FOR THE FOUR ENTITLEMENT GRANTS FOR FY 2006. THE ACTION PLAN FOCUSES ON DHCD'S PROPOSED USES OF THOSE GRANTS TO SERVE LOW-TO-MODERATE-INCOME RESIDENTS, AND PROVIDES THE IMPLEMENTING BUDGET AND ACTIVITIES FOR EACH FISCAL YEAR.**

## **HOW THE PLANS WERE DEVELOPED**

**IN ORDER TO ENSURE THAT THE PRIORITIES SET IN THESE PLANS REFLECTED THOSE OF OUR RESIDENTS AND STAKEHOLDERS, DHCD CONDUCTED A BROAD-BASED COMMUNITY CONSULTATION PROCESS THAT BEGAN IN THE FALL OF 2004 AND CONTINUED UNTIL THE DEPARTMENT'S MARCH 2005 BUDGET HEARINGS.**

**APPENDIX "D" OF THE PLANS CONTAINS FULL INFORMATION ON THE SEVEN COMMUNITY PUBLIC HEARINGS, FIVE BROWN-BAG MEETINGS WITH STAKEHOLDER ORGANIZATIONS AND**

**GOVERNMENT AGENCIES, AND TWO BUDGET HEARINGS HELD AT DHCD. THE APPENDIX ALSO INCLUDES SUMMARIES OF TESTIMONY THAT WAS PROVIDED AT THOSE HEARINGS AND MEETINGS.**

**IN ADDITION TO RECEIVING COMMUNITY INPUT, DHCD CONSULTED CENSUS DATA AND NUMEROUS PUBLISHED PROFESSIONAL STUDIES ON THE DISTRICT'S DEMOGRAPHIC, HOUSING AND ECONOMIC PROFILE IN DEVELOPING THE CONSOLIDATED PLAN. SINCE THE FIVE-YEAR PLAN REFLECTS GOVERNMENT-WIDE PRIORITIES, D.C. GOVERNMENT AGENCIES WERE ASKED TO PROVIDE DATA ON THE HOUSING NEEDS OF SPECIALIZED POPULATIONS, SUCH AS THE HOMELESS, AND ON THE SOCIAL AND COMMUNITY SERVICE, EMPLOYMENT AND SPECIAL NEEDS OF THE GENERAL AND/OR SPECIALIZED POPULATIONS. WE USED ALL OF THIS INFORMATION TO DEVELOP THE PLANS. ALL OF THESE INPUTS ARE REFLECTED IN THE FIVE-YEAR PLAN IN PART II (STARTING ON PAGE 5), IN THE REQUIRED HUD "NEEDS" TABLES (STARTING ON PAGE 26) , AND IN APPENDICES "C", "E" AND "F".**

**THE DEPARTMENT OF HEALTH, HIV/AIDS ADMINISTRATION IS THE RECIPIENT AND ADMINISTRATOR OF THE HOPWA GRANTS, AND HAS PREPARED THE HOPWA FIVE-YEAR PLAN AND FY 2006 ACTION PLAN, WHICH ARE ATTACHED IN APPENDIX "B".**

## **THE FIVE-YEAR CONSOLIDATED PLAN**

### **PRIORITIES ESTABLISHED**

**AFTER LISTENING TO RESIDENTS AND CONSULTING EXPERT DATA, DHCD CONCLUDED THAT IT SHOULD CONTINUE TO FOCUS FEDERAL AND LOCAL RESOURCES ON THE FOLLOWING PRIORITIES OVER THE NEXT FIVE YEARS:**

- 1. RETENTION, REHABILITATION AND PRODUCTION OF AFFORDABLE HOUSING,**
- 2. PROVISION OF INCENTIVES TO INCLUDE DEVELOPMENT OF HOUSING FOR VERY-LOW TO MODERATE-INCOME RESIDENTS, FOR THE HOMELESS AND FOR THOSE PERSONS WITH SPECIAL NEEDS;**
- 3. PROMOTION OF HOMEOWNERSHIP OPPORTUNITIES; AND**
- 4. SUPPORT FOR NEIGHBORHOOD COMMERCIAL AND ECONOMIC REVITALIZATION.**

### **THE STRATEGIC PLAN**

**THE STRATEGIC PLAN IS THE CORE OF THE FIVE-YEAR CONSOLIDATED PLAN. THIS SECTION (FROM PAGE 50 TO 61) FOCUSES ON THE STRATEGIES AND RESOURCES THAT WILL SUPPORT THE DISTRICT'S PRIORITY GOALS, AND DESCRIBES THE TOOLS IT WILL USE TO ATTAIN THEM. THE PLAN ALSO DISCUSSES**

**THE CHALLENGES WE WILL FACE IN THE D. C. HOUSING MARKET, THE FINANCING STRATEGIES AND PARTNERSHIPS THAT WILL SUPPORT OUR GOALS, AND SPECIFIC PERFORMANCE GOALS WE PROPOSE FOR THE FIVE-YEAR PERIOD.**

**THE CONSOLIDATED FIVE-YEAR PLAN ALSO CONTAINS SECTIONS ON:**

- **REDUCING BARRIERS TO AFFORDABLE HOUSING;**
- **PROMOTING FAIR HOUSING;**
- **REDUCING LEAD PAINT HAZARDS IN RESIDENTIAL UNITS;**
- **CREATING A NEW ANTI-POVERTY STRATEGY THROUGH THE MAYOR'S "NEW COMMUNITIES" INITIATIVE;**
- **IDENTIFYING THE GEOGRAPHIC TARGETS FOR INVESTMENT, AND**
- **COORDINATING PLANNING AND IMPLEMENTATION.**

### **THE FY 2006 ACTION PLAN**

**THE ANNUAL ACTION PLAN PROVIDES THE BUDGET, ACTIVITIES AND GOALS FOR FY 2006 AS THE FIRST YEAR OF THE IMPLEMENTATION CYCLE FOR THE FIVE-YEAR CONSOLIDATED PLAN. HUD REQUIRES AN ANNUAL ACTION PLAN FOR EACH YEAR OF THE FIVE-YEAR CONSOLIDATED PLAN CYCLE (2006-2010).**

**THE FY 2006 ACTION PLAN BEGINS BY PROVIDING SOME PERSPECTIVE ON DHCD'S ACCOMPLISHMENTS OVER THE PREVIOUS**

**FIVE-YEAR PLAN PERIOD. WHILE THE PLAN DOES NOT YET INCLUDE THE FY 2005 DATA, WHICH WILL BE AVAILABLE IN OCTOBER, 2005, IT OFFERS DATA ON OUR ACCOMPLISHMENTS FROM FY 2001 THROUGH FY 2004, SUCH AS:**

- **PROVIDING 1,752 HOME PURCHASE ASSISTANCE PROGRAM (HPAP) LOANS FOR FIRST-TIME HOMEBUYERS,**
- **ASSISTING 835 TENANTS WITH FIRST-RIGHT PURCHASES,**
- **PROVIDING REHAB LOANS OR GRANTS FOR 119 SINGLE-FAMILY REHABILITATION PROJECTS IN HOMEOWNER-OCCUPIED HOUSING UNITS,**
- **FUNDING REHABILITATION OF 5,880 AFFORDABLE UNITS,**
- **FUNDING CONSTRUCTION FOR 3,162 NEW AFFORDABLE UNITS,**
- **SUPPORTING 3,593 SMALL BUSINESSES WITH TECHNICAL ASSISTANCE, AND**
- **MAINTAINING SHELTER BEDS FOR 1,902 HOMELESS PERSONS AND SUPPORTING 254 FAMILIES IN A FAMILY SHELTER.**

### **FY 2006 PLANS/STRATEGIES**

**FOLLOWING THIS SUMMARY OF ACCOMPLISHMENTS, THE ACTION PLAN LAYS THE BASIS FOR ITS FISCAL YEAR IMPLEMENTATION STRATEGY, RESTATING THE DEPARTMENT'S MISSION, PRIORITIES AND GOALS. THE CITIZEN PARTICIPATION PROCESS AND COORDINATION WITH OTHER ORGANIZATIONS AND AGENCIES ARE**

**EXPLAINED TO ENSURE THAT THE PLAN REFLECTS A BROAD CONSENSUS.**

## **FY 2006 FINANCIAL SOURCES AND USES**

### **1. FINANCIAL SOURCES**

**THE SPECIFIC FISCAL YEAR 2006 RESOURCES THAT WILL BE AVAILABLE—BOTH FEDERAL AND LOCAL—ARE DESCRIBED ON PAGES 27 TO 31 OF THE ACTION PLAN. THE NET AVAILABLE FEDERAL FUNDING FOR FY 2006 FROM GRANTS IS APPROXIMATELY 84.2 MILLION DOLLARS, INCLUDING THE LEAD-SAFE GRANTS. THIS EXCLUDES 10.5 MILLION DOLLARS IN THE HOPWA GRANT WHICH IS AWARDED DIRECTLY TO THE D.C. DEPARTMENT OF HEALTH HIV/AIDS ADMINISTRATION.**

**LOCAL FUNDS AVAILABLE WILL TOTAL ALMOST 103 MILLION DOLLARS FROM THE HOUSING PRODUCTION TRUST FUND (HPTF) AND FROM ANNUAL D.C. APPROPRIATIONS.**

**WE WILL SUBMIT A TECHNICAL AMENDMENT TO INCLUDE THE ADDITIONAL 15.7 MILLION IN HPTF SPENDING AUTHORITY RECENTLY PROPOSED TO THE COUNCIL TO BRING THE TOTAL HPTF SPENDING AUTHORITY TO 53.7 MILLION DOLLARS. THERE IS AN ADDITIONAL 7.7 MILLION DOLLARS IN “OTHER FUNDS” FROM A COMBINATION OF LOAN REPAYMENTS AND OTHER FUNDING.**



## **2. FINANCIAL USES**

**THE ACTIVITIES THAT WILL BE UNDERTAKEN WITH THE FY 2006 RESOURCES, AND THE DHCD FUNDING PROCESS FOR DISTRIBUTION OF THESE FUNDS, ARE PROVIDED ON PAGES 31 TO 33 OF THE ACTION PLAN. SPECIFIC TABLES FOR EACH PROGRAM ACTIVITY IN FY 2006 (“REQUIRED HUD TABLES 3”) APPEAR ON PAGES 37-74. THESE TABLES INCLUDE THE PROGRAM OR PROJECT DESCRIPTION, THE FUNDING SOURCES AND THE PERFORMANCE GOALS FOR ALL DHCD FY 2006 ACTIVITIES. THE OVERALL PROGRAM BUDGET CAN BE FOUND ON PAGES 75 AND 76, FOLLOWING THE TABLES 3.**

### **FY 2006 PERFORMANCE GOALS**

**BELOW ARE SOME HIGHLIGHTS FROM THE FY 2006 PERFORMANCE GOALS THAT ARE INCLUDED IN THE ACTION PLAN. FOR A NUMBER OF THESE GOALS—THE ONES MARKED WITH AN *ASTERISK*—THE GOALS HAVE BEEN INCREASED FROM THE DRAFT ACTION PLAN TO REFLECT THE APPROVED INCREASE IN THE HOUSING PRODUCTION TRUST FUND. WE WILL BE SUBMITTING A TECHNICAL AMENDMENT TO THE PLAN TO CAPTURE THESE INCREASED GOALS.**

**FY 2006 GOALS INCLUDE THE FOLLOWING:**

- **PROVIDING HOME PURCHASE ASSISTANCE (HPAP) AND AMERICAN DREAM DOWN PAYMENT INITIATIVE (ADDI) LOANS TO 265 FIRST-TIME HOME BUYERS,**
- **ASSISTING 60\* SINGLE-FAMILY OWNERS WITH REHABILITATION LOANS OR GRANTS,**
- **FUNDING NEW CONSTRUCTION OR REHABILITATION OF 2,000\* AFFORDABLE HOUSING UNITS,**
- **HELPING 150 TENANT HOUSEHOLDS TO BECOME OWNERS,**
- **PROVIDING AN ARRAY OF HOUSING COUNSELING SERVICES TO OVER 7,000\* TENANTS, HOMEBUYERS OR HOMEOWNERS, OR PERSONS SEEKING HOUSING IN THE DISTRICT,**
- **PROVIDING TECHNICAL ASSISTANCE TO 1,500 SMALL NEIGHBORHOOD BUSINESSES, AND**
- **PROVIDING EMERGENCY EVICTION PREVENTION GRANTS TO 190 FAMILIES OR INDIVIDUALS.**

**OTHER ACTION PLAN ELEMENTS**

**BEYOND THE SPECIFIC GOALS FOR AFFORDABLE HOUSING, HOMEOWNERSHIP, ECONOMIC AND COMMERCIAL DEVELOPMENT, THE FY 2006 ACTION PLAN ALSO ADDRESSES GEOGRAPHIC TARGETING (PAGES 77-78; AND PAGES 106-107), HOMELESS AND SPECIAL NEEDS, OVERCOMING BARRIERS TO FAIR HOUSING (PAGES 88-94), AND LEAD-BASED PAINT HAZARD REDUCTION (PAGES 95-97).**

**THE ANTI-POVERTY STRATEGY INCORPORATES THE MAYOR'S NEW COMMUNITIES INITIATIVE WHICH IS A HOLISTIC APPROACH THAT NOT ONLY ADDRESSES BRICKS AND MORTAR, BUT ALSO PROVIDES SUPPORT FOR THE HUMAN CAPITAL OF OUR TROUBLED NEIGHBORHOODS. THE ACTION PLAN ALSO DESCRIBES DHCD'S COORDINATION WITH PUBLIC HOUSING AND SOCIAL SERVICE AGENCIES; MONITORING OF PROGRAMS AND SUB-RECIPIENTS; AND SPECIFIC PROGRAM REQUIREMENTS FOR CDBG AND HOME.**

### **CONCLUSION**

**IN CONCLUSION, CHAIRPERSON AMBROSE, AS I INDICATED IN MY TESTIMONY ON THE DEPARTMENT'S FY 2006 BUDGET, THE CHALLENGES WE FACE ARE GREAT, BUT WE ALSO HAVE OPPORTUNITIES TO BE CREATIVE AND TO DEVELOP INNOVATIVE AND IMPROVED WAYS OF PROVIDING FUNDING FOR AFFORDABLE HOUSING.**

### **SOME NEW OPPORTUNITIES INCLUDE:**

**1 ) IMPLEMENTING THE "HOUSING PRODUCTION TRUST FUND (HPTF) SITE ACQUISITION FUNDING INITIATIVE FOR AFFORDABLE HOUSING" (SAFI), WHICH WE ARE LAUNCHING IN JULY, TO ENABLE NON-PROFIT HOUSING DEVELOPERS TO QUICKLY ACQUIRE PROJECT SITES;**

**2) BROADENING DHCD'S REACH BY EXPLORING PARTNERSHIPS WITH MARKET-RATE HOUSING PROVIDERS. WE SUCCEEDED AT DANBURY IN SOUTHEAST WASHINGTON TO INVEST PUBLIC FUNDS IN A MARKET-RATE DEVELOPMENT AND RETAIN 24 AFFORDABLE UNITS; AND**

**3) MAKING OUR PROCEDURES AS EFFICIENT AS POSSIBLE BY IMPLEMENTING THE RECOMMENDATIONS OF THE HOUSING AND COMMUNITY DEVELOPMENT REFORM ADVISORY COMMISSION.**

**I AM OPTIMISTIC THAT THE DISTRICT OF COLUMBIA CAN BECOME A NATIONAL LEADER IN PROVIDING AFFORDABLE HOUSING. WITH THE MAYOR'S VISION AND SUPPORT AND WITH THE UNDERSTANDING AND ENCOURAGEMENT OF THE COUNCIL AND OUR STAKEHOLDERS, WE WILL MAKE THIS A REALITY.**

**THIS CONCLUDES MY TESTIMONY. MY STAFF AND I ARE AVAILABLE TO RESPOND TO ANY QUESTIONS YOU MAY HAVE.**

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